

W. Scott Randolph  
Director – Regulatory Affairs



December 13, 2002

Verizon Communications  
1300 I Street  
Suite 500E  
Washington, DC 20005

Phone: 202 515-2530  
Fax: 202 336-7922  
Srandolph@verizon.com

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, DC 20554

**Ex Parte: Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers – CC Docket No. 01-338; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 - CC Docket No. 96-98; Deployment of Wireline Services Offering Advanced Telecommunications Capability – CC Docket No. 98-147**

Dear Ms. Dortch:

In an October 1, 2002 *ex parte* WorldCom argues that alleged delays in the rearrangement of WorldCom high capacity circuits from Verizon special access service to WorldCom's own facilities make WorldCom dependent on ILEC transport such that the Commission should continue to require unbundling of interoffice transmission facilities. WorldCom is wrong for two reasons. First, WorldCom offered no real evidence that it is impaired in its ability to enter the market without access to unbundled transport, and all of the evidence is to the contrary. Second, with respect to the specific claim made by WorldCom, it does not reveal that it is WorldCom's own failures that have delayed the migration of its special access circuits. WorldCom is simply attempting to parlay the fallout from its own failures into "evidence" of the need for continued unbundling requirements. The Commission should reject such gaming.

As an initial matter, WorldCom does not need unbundled transport because it can compete, as it is currently doing, using ILEC special access services, competitive transport, or even its own facilities. WorldCom admits that competitive transport networks are capable of providing alternatives to ILEC interoffice facilities. In yet another *ex parte* filing, WorldCom reveals that it "contracts with 41 CLECs" for fiber.<sup>1</sup> And WorldCom openly acknowledges in its *ex parte* that it can and does self-provision transport facilities and, in fact, desires to convert as much as 2200 circuits per month for Verizon alone. Not only is WorldCom able to compete in the high capacity markets using its own or other competitor's facilities, it is also successful using Verizon's special access services, which it can buy at significant volume and term discounts. Indeed, WorldCom's case is a perfect example of a CLEC using ILEC special access facilities to enter and compete in the market while it continues to invest in and transition to its own facilities.

In addition, WorldCom's alleged inability to get more circuits transferred to its own facilities each month is a product of its own failure to commit the time and resources necessary to complete its share of the

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<sup>1</sup> WorldCom October 1, 2002 *ex parte* at 8 and WorldCom *Hi-Cap Competition* at 6, attached to *ex parte* letter dated October 7, 2002, CC Dockets 01-338, 96-98, 98-147.

work that must be done. Since July, for example, Verizon has scheduled nearly 4000 circuit rearrangements for WorldCom and completed some 3189 of them. Of the 800 or so that were not completed as scheduled, WorldCom is responsible for the failure to complete more than 500 of them. In fact, since July, the percentage of misses attributed to WorldCom has ranged as high as 73 percent. Since January, WorldCom has also cancelled more than 500 of the orders that were scheduled to be completed. Accordingly, since the process began, WorldCom alone is responsible for more than 1000 of its rearrangements not being completed as scheduled.

But the problems do not end with WorldCom's inability to keep up with the work that is scheduled. WorldCom also has placed time constraints and restrictions on Verizon that make it more difficult to coordinate, schedule, and complete the work. This includes:

- Restricting the time it will allow work to be scheduled for at least half of the Verizon Carrier Account Team Centers managing the work to as little as three hours a night, even though WorldCom originally agreed to allow the Centers to schedule the work anytime between 9:00 p.m. and 6:00 a.m.
- Restricting the times it will schedule work due to commitments it has made to schedule work with other carriers; and
- Failing even to submit to each Center, the maximum number of rearrangement orders each month that Verizon has agreed to schedule.

Thus, while WorldCom complains that Verizon isn't doing enough in performing some 700 circuit rearrangements a month, WorldCom has yet to fully avail itself of the commitments Verizon already has made to complete WorldCom's circuit rearrangements.

Given the nature of the work WorldCom has requested, coordination and cooperation is essential. WorldCom is requesting that Verizon rearrange WorldCom's existing special access circuits, predominately DS-1s, so that instead of terminating in WorldCom's POP or a current collocation arrangement, they terminate in new interconnection points, different collocation arrangements, within WorldCom's network. But because these rearrangements are essentially requests to move the circuit, not simply to aggregate or "roll" them to a higher level, several DS-1s to a DS-3 for example, more work is required than simply cutting circuits from Verizon facilities to WorldCom facilities within the same central office. This can include manual re-wiring through multiple central offices. The rearrangement work, therefore, is not as simple as a "hot cut;" it is equivalent to the work required to install an entirely new circuit and is provisioned in the same manner.

Each month WorldCom submits a summary spreadsheet and Access Service Requests for orders to be rearranged by Verizon's Carrier Account Team Centers. A project manager in each Center reviews the summary spreadsheet for completeness and accuracy. The order is then sent to the Circuit Provisioning Center and the circuit is designed to terminate in a different WorldCom collocation arrangement. Once the new circuit is designed, a Project Manager/Coordinator in the Center compares the new circuit design with the old to determine the common path of deviation or "cut" point. The Project Manager/Coordinator then organizes the work, coordinates with WorldCom, and schedules the technicians necessary to complete it. When the work involves manual re-wiring of the circuit, as about half of these orders do, the Project Manager/Coordinator will also schedule a central office technician to be present in the field at the time of the "cut".

Verizon has now completed more than 7500, almost 70 percent, of the rearrangement orders WorldCom has submitted since January, despite WorldCom's inability to keep pace with the work and WorldCom's scheduling restrictions. And Verizon is on track to complete the remainder of WorldCom's orders in the next few months. WorldCom's suggestion then that there is a significant backlog of orders that need to be completed is just wrong, and it is WorldCom's failure to coordinate and complete the work that accounts for the majority of orders that were not completed as scheduled. Thus, contrary to WorldCom's suggestion that it will not receive the benefit of its investment in its own facilities for another three years, it

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has already benefited in the transfer of more than 7500 circuits to its own facilities and it will continue to benefit as it serves new customers using its own facilities instead of ILEC facilities. Requiring ILECs to continue to provide access to unbundled transport, as WorldCom requests, will only eliminate the incentives for CLECs like WorldCom to deploy their own facilities.

Please associate this notification with the record in the proceedings indicated above. If you have any questions regarding this matter, please call me at (202) 515-2530.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Scott Randolph", written in a cursive style.

W. Scott Randolph

cc: Michelle Carey  
Tom Navin  
Jeremy Miller  
Ian Dillner  
Claudia Pabo  
Julie Veach  
Mike Engel  
Robert Tanner